

# LAKE COUNTY ECONOMIC FORECAST

Lake County is located in Northern California, approximately 100 miles north of San Francisco. The name of the county is derived from Clear Lake, the largest natural freshwater lake in the state and a prominent recreation destination. Lake County has a population of 64,700 people and a total of 16,000 wage and salary jobs. The per capita income in Lake County is \$39,137 and the average salary per worker is \$42,800.

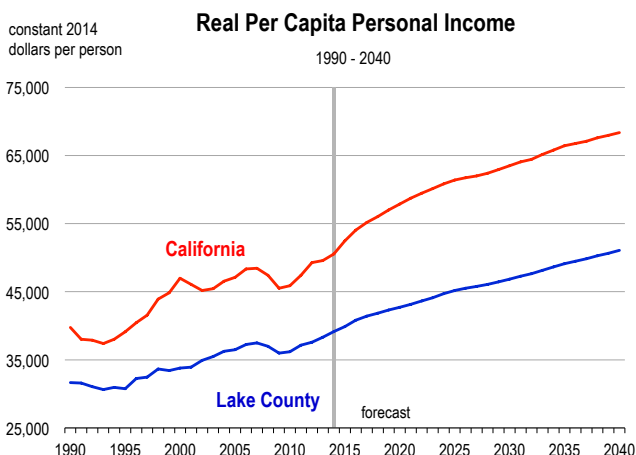
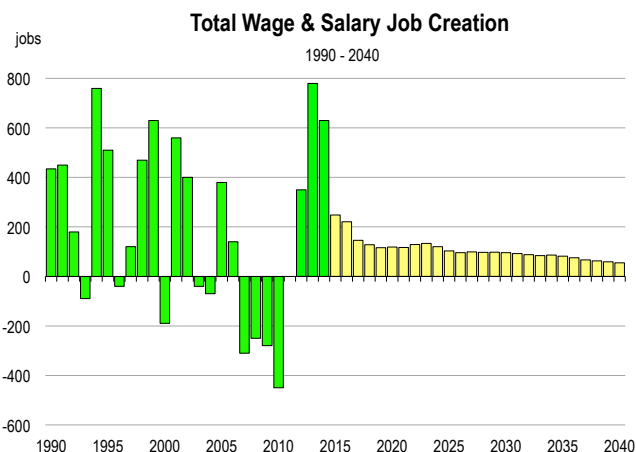
In 2014, total wage and salary employment increased by 630 jobs in Lake County. This represents a growth rate of 4.1 percent. Non-farm employment grew by 4.4 percent, while farm employment increased by 0.9 percent. The unemployment rate, while still very high, improved substantially, falling from 10.8 percent in 2013 to 8.9 percent in 2014.

Over the past year, the largest employment gains were observed in education and healthcare (+290 jobs), wholesale and retail trade (+100 jobs), construction (+80 jobs) and professional business services (+50 jobs). Substantial losses were not observed in any sector.

Between 2009 and 2014, the Lake County population increased at an average rate of only 0.1 percent per year. Over this time frame, the county gained an average of 124 residents each year through net migration, but lost an average of 47 residents per year through the natural decrease (deaths outnumbered births).

## FORECAST HIGHLIGHTS

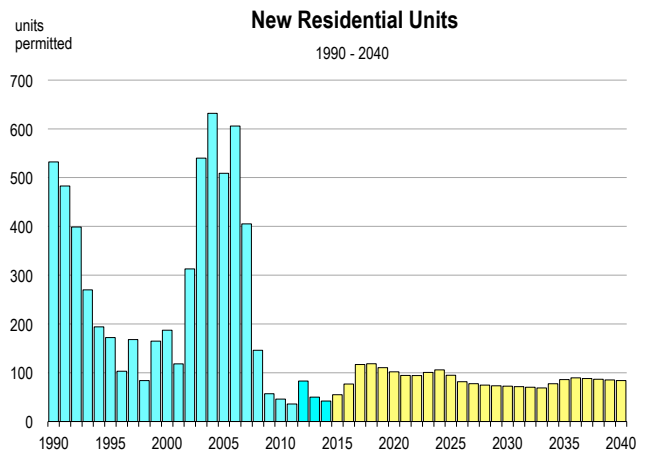
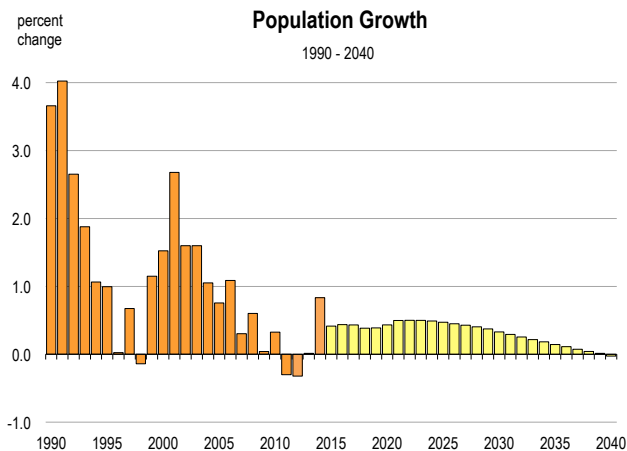
- Total wage and salary job growth is projected to be 1.6 percent in 2015. Over the 2015-2020 period, growth will average 0.9 percent per year.
- Average salaries are currently below the California state average, and will remain so over the forecast period. In Lake County, inflation-adjusted salaries are expected to rise by an average of 1.3 percent per year from 2015 to 2020.
- Between 2015 and 2020, the largest employment gains will be in leisure and hospitality, education and healthcare, professional services, and government. Together, these industries will account for 76 percent of net job creation in the county.
- Annual population growth in the 2015-2020 period is expected to average 0.4 percent per year.
- Net migration will be moderate over the next five years, with an average of 320 net in-migrants each year. Net migration will be responsible for all employment growth, as the county will continue to experience a natural decrease.
- Real per capita income is forecasted to increase by 1.9 percent in 2015. From 2015 to 2020, real per capita income is expected to increase by an average of 1.4 percent per year.
- Between 2015 and 2020, total taxable sales, adjusted for inflation, are forecasted to rise by 1.3 percent per year.
- Industrial production is expected to rise by 4.7 percent per year from 2015 to 2020. Over the same period, total crop production is expected to increase by an average of 0.4 percent per year. The principal crop in the county is the wine grape.



# Lake County Economic Forecast

## 2006-2014 History, 2015-2040 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2006	63,792	759	87.1	25.2	606	\$0.57	\$1.97	\$37,249	3.2	79.6	152.7	7.7
2007	63,986	235	85.5	25.8	405	\$0.57	\$2.06	\$37,491	3.4	83.8	149.9	8.4
2008	64,370	458	85.1	26.3	146	\$0.57	\$2.10	\$36,986	2.9	69.3	156.0	10.6
2009	64,396	113	84.9	26.4	57	\$0.46	\$2.06	\$35,982	0.8	73.2	145.5	15.3
2010	64,606	307	85.0	26.5	46	\$0.46	\$2.11	\$36,202	1.3	71.2	148.0	15.3
2011	64,411	-184	84.4	26.6	36	\$0.51	\$2.22	\$37,153	2.7	72.1	150.7	14.7
2012	64,204	-159	82.6	26.7	83	\$0.53	\$2.29	\$37,575	2.7	89.2	152.5	12.9
2013	64,209	63	84.9	26.7	50	\$0.55	\$2.39	\$38,317	2.3	98.9	151.9	10.8
2014	64,744	595	86.3	26.7	42	\$0.57	\$2.53	\$39,137	2.8	98.1	158.9	8.9
2015	65,013	313	87.5	26.7	55	\$0.58	\$2.62	\$39,873	1.2	100.4	166.3	7.5
2016	65,297	334	88.5	26.8	77	\$0.61	\$2.78	\$40,817	3.2	102.4	171.4	6.5
2017	65,579	330	89.5	26.8	117	\$0.64	\$2.93	\$41,411	3.2	102.8	175.3	6.3
2018	65,831	304	90.4	26.9	118	\$0.67	\$3.06	\$41,855	3.0	102.7	180.7	6.2
2019	66,086	308	91.2	27.0	110	\$0.70	\$3.19	\$42,306	2.8	101.7	186.9	6.0
2020	66,372	338	92.0	27.1	102	\$0.72	\$3.33	\$42,704	2.9	102.6	193.6	6.0
2021	66,703	387	92.7	27.2	94	\$0.75	\$3.49	\$43,141	3.0	102.1	200.3	6.1
2022	67,036	390	93.3	27.2	94	\$0.78	\$3.65	\$43,634	3.1	102.7	207.1	6.0
2023	67,371	395	93.9	27.3	101	\$0.81	\$3.81	\$44,119	2.7	103.0	214.5	6.0
2024	67,701	397	94.4	27.4	106	\$0.84	\$3.98	\$44,699	2.6	103.1	221.4	6.0
2025	68,021	389	94.9	27.5	95	\$0.87	\$4.15	\$45,196	2.8	103.2	228.5	6.0
2026	68,326	384	95.3	27.5	82	\$0.90	\$4.32	\$45,512	2.8	103.3	236.0	6.0
2027	68,619	381	95.7	27.6	78	\$0.93	\$4.49	\$45,776	2.8	103.4	243.9	6.0
2028	68,896	375	96.0	27.7	75	\$0.96	\$4.66	\$46,088	2.7	103.3	252.6	6.0
2029	69,154	365	96.3	27.7	73	\$0.99	\$4.83	\$46,443	2.5	103.4	261.8	6.0
2030	69,381	348	96.6	27.8	73	\$1.02	\$5.00	\$46,842	2.4	103.8	271.2	5.9
2031	69,584	333	97.0	27.8	72	\$1.06	\$5.18	\$47,284	2.3	104.2	280.9	5.9
2032	69,762	318	97.3	27.9	70	\$1.10	\$5.36	\$47,647	2.5	104.6	290.9	5.9
2033	69,912	303	97.6	27.9	69	\$1.14	\$5.54	\$48,159	2.1	105.0	301.2	5.9
2034	70,041	290	98.0	28.0	77	\$1.18	\$5.74	\$48,653	2.3	105.5	311.8	5.9
2035	70,141	275	98.3	28.1	86	\$1.23	\$5.94	\$49,128	2.4	105.9	322.6	5.9
2036	70,220	262	98.7	28.1	90	\$1.27	\$6.16	\$49,490	2.8	106.4	333.8	5.9
2037	70,272	249	99.0	28.2	88	\$1.32	\$6.38	\$49,838	2.8	107.0	345.3	5.9
2038	70,301	236	99.3	28.2	87	\$1.37	\$6.61	\$50,266	2.7	107.5	357.1	5.9
2039	70,305	223	99.7	28.3	85	\$1.42	\$6.85	\$50,650	2.8	108.1	368.0	5.9
2040	70,287	212	100.0	28.4	84	\$1.46	\$7.09	\$51,072	2.8	108.7	388.5	5.9

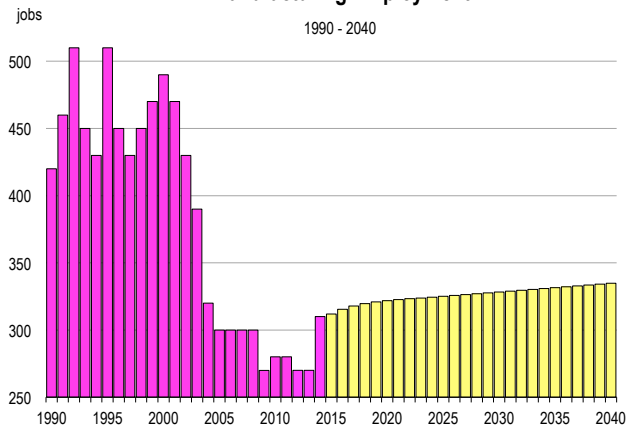


# Lake County Employment Forecast

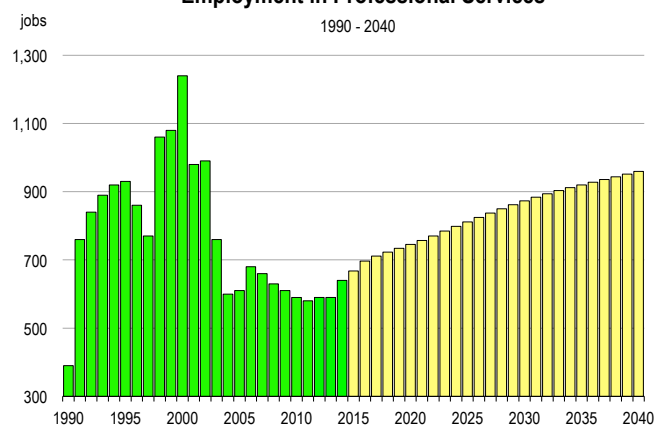
## 2006-2014 History, 2015-2040 Forecast

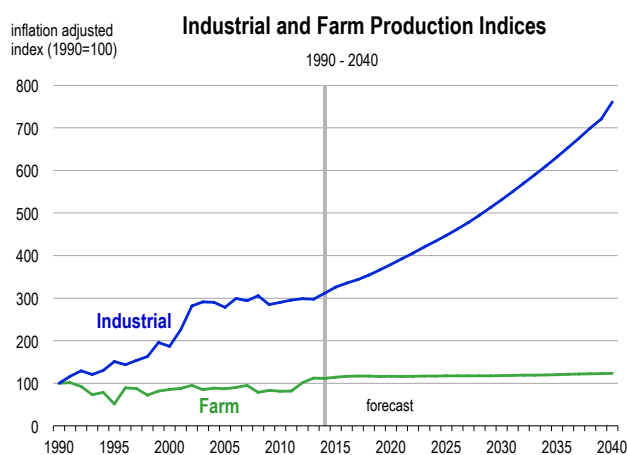
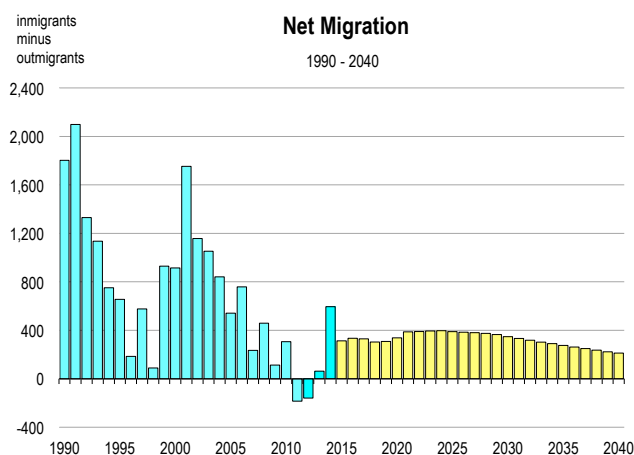
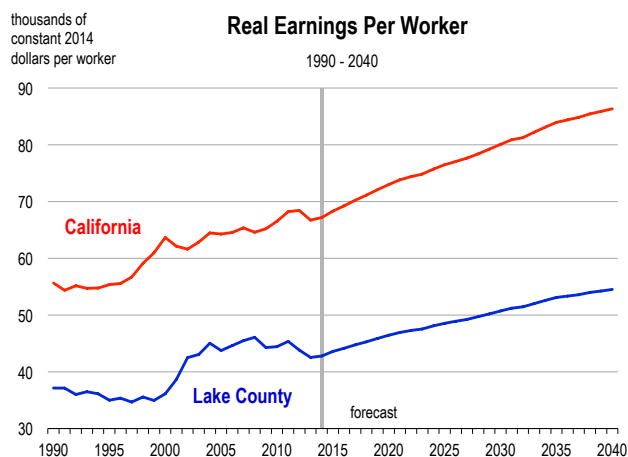
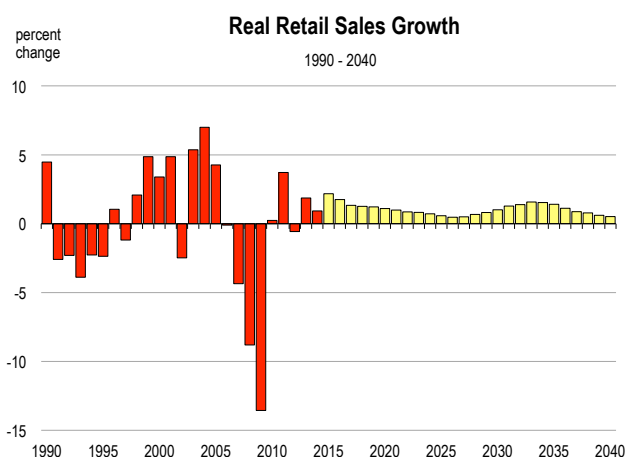
	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
2006	15.51	0.99	0.85	0.30	0.60	2.26	0.46	0.68	0.18	3.18	1.59	4.08
2007	15.20	1.04	0.84	0.30	0.60	2.28	0.40	0.66	0.13	3.22	1.41	4.00
2008	14.95	0.99	0.68	0.30	0.60	2.23	0.40	0.63	0.10	3.29	1.33	4.10
2009	14.67	1.13	0.47	0.27	0.54	2.17	0.37	0.61	0.13	3.30	1.26	4.10
2010	14.22	1.06	0.38	0.28	0.53	2.11	0.35	0.59	0.13	3.18	1.13	4.11
2011	14.22	1.15	0.34	0.28	0.56	2.11	0.36	0.58	0.14	3.18	1.11	3.91
2012	14.57	1.12	0.36	0.27	0.59	2.10	0.37	0.59	0.15	3.43	1.11	3.95
2013	15.35	1.09	0.38	0.27	0.58	2.20	0.39	0.59	0.15	4.14	1.03	4.01
2014	15.98	1.10	0.46	0.31	0.56	2.30	0.39	0.64	0.14	4.43	1.06	4.03
2015	16.23	1.10	0.45	0.31	0.59	2.32	0.39	0.67	0.14	4.42	1.11	4.18
2016	16.45	1.11	0.46	0.32	0.60	2.33	0.40	0.70	0.15	4.48	1.15	4.22
2017	16.60	1.11	0.49	0.32	0.61	2.34	0.40	0.71	0.15	4.52	1.16	4.25
2018	16.72	1.12	0.49	0.32	0.62	2.35	0.40	0.72	0.15	4.57	1.16	4.28
2019	16.84	1.12	0.49	0.32	0.62	2.35	0.40	0.73	0.15	4.62	1.16	4.31
2020	16.96	1.12	0.48	0.32	0.63	2.36	0.41	0.75	0.15	4.68	1.17	4.35
2021	17.08	1.13	0.48	0.32	0.65	2.36	0.41	0.76	0.15	4.73	1.16	4.39
2022	17.20	1.13	0.48	0.32	0.66	2.36	0.41	0.77	0.15	4.78	1.17	4.42
2023	17.34	1.13	0.48	0.32	0.67	2.36	0.41	0.78	0.15	4.84	1.17	4.46
2024	17.46	1.14	0.49	0.32	0.68	2.37	0.41	0.80	0.16	4.88	1.17	4.50
2025	17.56	1.14	0.48	0.33	0.69	2.37	0.41	0.81	0.16	4.93	1.17	4.54
2026	17.66	1.14	0.47	0.33	0.70	2.37	0.41	0.82	0.16	4.97	1.17	4.58
2027	17.76	1.14	0.47	0.33	0.71	2.37	0.41	0.84	0.16	5.01	1.17	4.61
2028	17.85	1.15	0.46	0.33	0.72	2.37	0.41	0.85	0.16	5.05	1.17	4.65
2029	17.95	1.15	0.46	0.33	0.73	2.37	0.41	0.86	0.16	5.08	1.17	4.68
2030	18.05	1.15	0.46	0.33	0.74	2.37	0.41	0.87	0.16	5.12	1.17	4.70
2031	18.14	1.16	0.46	0.33	0.75	2.37	0.41	0.88	0.16	5.16	1.17	4.73
2032	18.23	1.16	0.46	0.33	0.76	2.38	0.42	0.89	0.16	5.20	1.17	4.75
2033	18.31	1.16	0.46	0.33	0.77	2.38	0.42	0.90	0.16	5.24	1.17	4.77
2034	18.40	1.17	0.47	0.33	0.78	2.39	0.42	0.91	0.16	5.28	1.17	4.78
2035	18.48	1.17	0.48	0.33	0.79	2.39	0.42	0.92	0.16	5.32	1.17	4.79
2036	18.56	1.17	0.48	0.33	0.80	2.39	0.42	0.93	0.16	5.35	1.17	4.80
2037	18.62	1.18	0.48	0.33	0.81	2.39	0.42	0.94	0.16	5.39	1.17	4.81
2038	18.69	1.18	0.48	0.33	0.82	2.39	0.42	0.94	0.16	5.43	1.17	4.81
2039	18.74	1.18	0.48	0.33	0.83	2.39	0.42	0.95	0.16	5.46	1.17	4.81
2040	18.80	1.19	0.48	0.33	0.84	2.39	0.42	0.96	0.16	5.50	1.17	4.81

**Manufacturing Employment**



**Employment in Professional Services**





## County Economic and Demographic Indicators

### Projected Economic Growth (2015-2020)

Expected retail sales growth:	6.9%
Expected job growth:	4.5%
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	9.3%

Expected population growth:	2.1%
Net migration to account for:	100%
Expected growth in number of vehicles:	5.2%

### Demographics (2015)

Unemployment rate (March 2015):	7.8%
County rank* in California (58 counties):	32nd
Working age (16-64) population:	61.6%

Population with B.A. degree or higher:	16.9%
Median home selling price (2014):	\$155,000
Median household income:	\$35,102

### Quality of Life

Violent crime rate (2013):	553 per 100,000 persons
County rank* in California (58 counties):	50th
Average commute time to work (2015):	31.4 minutes

High School drop out rate (2014):	9.7%
Households at/below poverty line (2015):	15.2%

\* The county ranked 1st corresponds to the lowest rate in California